



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Paul Krutko

**SUBJECT: REGIONAL EMPLOYMENT
LOSSES**

DATE: May 25, 2005

Approved /s/

Date 05/27/05

INFORMATION

This memorandum is prepared in response to the request of Councilmember Pyle at the Council Budget Study Session on May 9, 2005 for clarification on job loss and population figures included in the budget overview.

Job Loss

The 227,000 jobs identified in the opening presentation are those lost from the peak Santa Clara County employment in December 2000 to March 2005. While losses have been experienced by all sectors, some areas have been hit more dramatically. 30% (67,900) of the jobs lost have been in the area of Computer and Electronic Product Manufacturing, particularly Semiconductor and Electronic Component Manufacturing (29,700). Professional, Scientific and Technical services have also experienced job loss of 18% (41,000 jobs) with the majority of these reductions occurring in Computer Systems Design (20,900) and Architectural and Engineering Services (10,600). (see attached Exhibit A).

It also should be noted that while not as large in the absolute sense, some employment areas have had large percentage reductions. Among these are Bare Printed Circuit Board Manufacturing which shrank by 64% from 19,900 to 7,200 and Architectural and Engineering Services where reductions of 50% drove employment from 21,000 down to 10,400.

Population

Over the past four years, the total population in Santa Clara County has grown by 56,000 (just under 1% annually) according to the California Department of Finance. Population has risen primarily as a result of natural growth (74,000 over 4 years) and foreign immigration (70,776 over 4 years) outpacing domestic migration (-88,334 over 4 years; people moving out of the area). As noted by the table (Exhibit B), domestic migration from Santa Clara County has been relatively strong for the last four years.

/s/

PAUL KRUTKO

Director, Office of Economic Development

Attachment A
San Jose-Santa Clara-Sunnyvale MSA Area

Series code	Industry	# of Employed 2000	# of Employed 2005	Jobs Lost	% Lost	% of Total
1000000	Total Wage and Salary	1,084,500	857,300	(227,200)	-21%	100%
5000000	Total Private	981,400	757,200	(224,200)	-23%	99%
6000000	Goods Producing	318,100	208,700	(109,400)	-34%	48%
7000000	Service Providing	760,900	643,400	(117,500)	-15%	52%
8000000	Residual-Private Services Providing	663,300	548,500	(114,800)	-17%	51%
10000000	Natural Resources and Mining	500	200	(300)	-60%	0%
11000000	Total Farm	5,500	5,200	(300)	-5%	0%
20000000	Construction	51,200	39,500	(11,700)	-23%	5%
20238000	Specialty Trade Contractors	38,300	29,000	(9,300)	-24%	4%
20238200	Building Equipment Contractors	17,600	11,200	(6,400)	-36%	3%
20238300	Building Finishing Contractors	11,500	10,200	(1,300)	-11%	1%
30000000	Manufacturing	266,400	169,000	(97,400)	-37%	43%
31000000	Durable Goods	246,500	157,200	(89,300)	-36%	39%
31332000	Fabricated Metal Product Mfg	17,600	10,400	(7,200)	-41%	3%
31333000	Machinery Manufacturing	21,600	12,000	(9,600)	-44%	4%
31333200	Industrial Machinery Manufacturing	9,000	5,900	(3,100)	-34%	1%
31333300	Commercial and Service Industry Manufact	9,200	3,900	(5,300)	-58%	2%
31333900	Residual Other General Purpose Machinery	3,400	2,200	(1,200)	-35%	1%
31334000	Computer and Electronic Product Manufact	180,700	112,800	(67,900)	-38%	30%
31334100	Computer and Peripheral Equipment Manufact	48,200	30,100	(18,100)	-38%	8%
31334111	Electronic Computer Manufacturing	40,200	25,300	(14,900)	-37%	7%
31334119	Residual Other Computer and Peripheral Eq	8,000	4,800	(3,200)	-40%	1%
31334400	Semiconductor and Electronic Component M	80,200	50,500	(29,700)	-37%	13%
31334412	Bare Printed Circuit Board Manufacturing	19,900	7,200	(12,700)	-64%	6%
31334413	Semiconductor and Related Devices Manufact	45,400	33,600	(11,800)	-26%	5%
31334419	Residual Other Semiconductor and Electron	14,900	9,700	(5,200)	-35%	2%
31334500	Electronic Instrument Manufacturing	31,700	20,100	(11,600)	-37%	5%
31334600	Magnetic Media Manufacturing and Reprodu	3,500	3,900	400	11%	-0%
31336000	Transportation Equipment Manufacturing	10,500	9,200	(1,300)	-12%	1%
31336400	Aerospace Product and Parts Manufacturing	8,400	8,100	(300)	-4%	0%
32000000	Nondurable Goods	19,900	11,800	(8,100)	-41%	4%

Attachment A
San Jose-Santa Clara-Sunnyvale MSA Area

Series code	Industry	# of Employed 2000	# of Employed 2005	Jobs Lost	% Lost	% of Total
32311000	Food Manufacturing	4,400	2,900	(1,500)	-34%	1%
32325000	Chemical Manufacturing	5,600	3,600	(2,000)	-36%	1%
40000000	Trade, Transportation and Utilities	159,100	127,000	(32,100)	-20%	14%
41000000	Wholesale Trade	41,900	34,300	(7,600)	-18%	3%
41423000	Merchant Wholesalers, Durable Goods	31,200	23,200	(8,000)	-26%	4%
42000000	Retail Trade	98,900	79,600	(19,300)	-20%	8%
42443000	Electronics and Appliance Stores	11,300	7,900	(3,400)	-30%	1%
42444000	Building Material and Garden Equipment S	5,800	6,600	800	14%	-0%
42445000	Food and Beverage Stores	16,600	15,600	(1,000)	-6%	0%
42446000	Health and Personal Care Stores	6,100	4,600	(1,500)	-25%	1%
42448000	Clothing and Clothing Accessories Stores	10,100	8,800	(1,300)	-13%	1%
42451000	Sporting Goods, Hobby, Book and Music St	6,200	4,900	(1,300)	-21%	1%
42452000	General Merchandise Stores	15,600	11,100	(4,500)	-29%	2%
43000000	Transportation, Warehousing and Utilities	18,300	13,100	(5,200)	-28%	2%
43220000	Utilities	2,200	1,400	(800)	-36%	0%
43400089	Transportation and Warehousing	16,100	11,700	(4,400)	-27%	2%
43492000	Couriers and Messengers	4,000	2,600	(1,400)	-35%	1%
50000000	Information	47,100	34,000	(13,100)	-28%	6%
50511000	Publishing Industries (except Internet)	15,200	11,300	(3,900)	-26%	2%
50511100	Newspaper, Periodical, Book and Director	3,500	2,700	(800)	-23%	0%
50511200	Software Publishers	11,700	8,600	(3,100)	-26%	1%
50517000	Telecommunications	8,700	5,100	(3,600)	-41%	2%
50518000	Internet Service Providers, Web Search P	18,000	14,300	(3,700)	-21%	2%
50518100	Internet Service Providers and Web Search	15,100	10,400	(4,700)	-31%	2%
50518200	Data Processing, Hosting and Related Ser	2,900	3,900	1,000	34%	-0%
55000000	Financial Activities	34,800	35,400	600	2%	-0%
55520000	Finance and Insurance	19,300	20,500	1,200	6%	-1%
55522000	Credit Intermediation and Related Activity	10,100	11,700	1,600	16%	-1%
55524000	Insurance Carriers and Related	5,300	5,100	(200)	-4%	0%
55530000	Real Estate and Rental and Leasing	15,500	14,900	(600)	-4%	0%
55531000	Real Estate	10,700	10,200	(500)	-5%	0%

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San Jose-Santa Clara-Sunnyvale MSA Area

Series code	Industry	# of Employed 2000	# of Employed 2005	Jobs Lost	% Lost	% of Total
60000000	Professional and Business Services	236,000	162,600	(73,400)	-31%	32%
60540000	Professional, Scientific and Technical S	135,900	94,900	(41,000)	-30%	18%
60541100	Legal Services	9,900	7,700	(2,200)	-22%	1%
60541200	Accounting, Tax Preparation and Bookkeeping	6,800	6,600	(200)	-3%	0%
60541300	Architectural, Engineering and Related S	21,000	10,400	(10,600)	-50%	5%
60541500	Computer Systems Design and Related Serv	62,500	41,600	(20,900)	-33%	9%
60541700	Scientific Research and Development Serv	19,000	17,500	(1,500)	-8%	1%
60541900	Other Professional, Scientific and Tech	16,700	11,100	(5,600)	-34%	2%
60550000	Management of Companies and Enterprises	22,000	15,100	(6,900)	-31%	3%
60560000	Administrative and Support and Waste Ser	78,100	52,600	(25,500)	-33%	11%
60561000	Administrative and Support Services	76,000	50,600	(25,400)	-33%	11%
60561300	Employment Services	44,000	24,100	(19,900)	-45%	9%
60561600	Investigation and Security Services	7,400	6,000	(1,400)	-19%	1%
60561700	Services to Buildings and Dwellings	15,300	14,200	(1,100)	-7%	0%
60562000	Waste Management and Remediation Service	2,100	2,000	(100)	-5%	0%
65000000	Educational and Health Services	87,400	96,800	9,400	11%	-4%
65610000	Educational Services	24,900	29,500	4,600	18%	-2%
65611300	Colleges, Universities and Professional	16,100	21,300	5,200	32%	-2%
65620000	Health Care and Social Assistance	62,500	67,300	4,800	8%	-2%
65621000	Ambulatory Health Care Services	26,500	24,600	(1,900)	-7%	1%
65621100	Offices of Physicians	12,100	9,200	(2,900)	-24%	1%
65622000	Hospitals	17,500	23,600	6,100	35%	-3%
65623000	Nursing and Residential Care Facilities	8,900	9,800	900	10%	-0%
65624000	Social Assistance	9,600	9,300	(300)	-3%	0%
70000000	Leisure and Hospitality	71,800	68,000	(3,800)	-5%	2%
70710000	Arts, Entertainment, and Recreation	9,500	11,500	2,000	21%	-1%
70720000	Accommodation and Food Service	62,300	56,500	(5,800)	-9%	3%
70721000	Accommodation	8,500	7,900	(600)	-7%	0%

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San Jose-Santa Clara-Sunnyvale MSA Area

Series code	Industry	# of Employed 2000	# of Employed 2005	Jobs Lost	% Lost	% of Total
70722000	Food Services and Drinking Places	53,800	48,600	(5,200)	-10%	2%
70722200	Limited-Service Eating Places	22,100	20,100	(2,000)	-9%	1%
80000000	Other Services	27,100	24,700	(2,400)	-9%	1%
80811000	Repair and Maintenance	8,500	7,500	(1,000)	-12%	0%
80812000	Personal and Laundry Services	18,600	17,200	(1,400)	-8%	1%
90000000	Government	97,600	94,900	(2,700)	-3%	1%
90910000	Federal Government	10,900	10,000	(900)	-8%	0%
90912999	Other Federal Government	9,900	9,000	(900)	-9%	0%
90919110	Department of Defense	1,000	1,000	0	0%	0%
90920000	State Government	8,200	7,600	(600)	-7%	0%
90921611	State Government Education	4,400	4,300	(100)	-2%	0%
90922999	Other State Government	3,800	3,300	(500)	-13%	0%
90930000	Local Government	78,500	77,300	(1,200)	-2%	1%
90931611	Local Government Education	44,200	42,700	(1,500)	-3%	1%
90932999	Other Local Government	3,900	4,000	100	3%	-0%
90939012	County	16,400	16,700	300	2%	-0%
90939022	City	14,000	13,900	(100)	-1%	0%
90940000	State and Local Government	86,700	84,900	(1,800)	-2%	1%

Attachment B

Net Santa Clara County Growth

	Population (July 1)	Percent Change	Numeric Change	Births	Deaths	Natural Increase	Net Migration	Net Foreign Immigration	Net Domestic Migration
Santa Clara County	1990	1,495,296							
	1991	1,508,050	0.85	12,754	27,737	8,247	19,490	-6,736	13,797
	1992	1,530,221	1.47	22,171	28,106	8,204	19,902	2,269	19,296
	1993	1,553,928	1.55	23,707	27,159	8,392	18,767	4,940	16,675
	1994	1,562,976	0.58	9,048	26,839	8,692	18,147	-9,099	13,132
	1995	1,573,477	0.67	10,501	26,052	8,527	17,525	-7,024	9,532
	1996	1,599,332	1.64	25,855	26,337	8,768	17,569	8,286	10,557
	1997	1,626,163	1.68	26,831	26,568	8,929	17,639	9,192	14,248
	1998	1,650,414	1.49	24,251	26,647	8,849	17,798	6,453	9,773
	1999	1,665,590	0.92	15,176	26,401	9,056	17,345	-2,169	8,384
	2000	1,692,759	1.63	27,169	26,676	8,864	17,812	9,357	14,923
	2001	1,709,188	0.97	16,429	27,659	8,876	18,783	-2,354	24,087
	2002	1,720,757	0.68	11,569	26,850	8,553	18,297	-6,728	16,066
	2003	1,732,637	0.69	11,880	27,159	8,576	18,583	-6,703	15,150
	2004	1,749,365	0.97	16,728	27,146	8,645	18,501	-1,773	15,473
	Sum			254,069	377,336	121,178	256,158	-2,089	201,093
	Average			18,148	26,953	8,656	18,297	-149	14,364